

In the  
United States Court of Appeals  
For the Ninth Circuit

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M.O.S. CORPORATION, *Plaintiff-Appellant*,

vs.

JOHN I. HAAS, INC., *Defendant-Respondent*

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REPLY BRIEF OF APPELLANT

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ON APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF WASHINGTON,  
SOUTHERN DIVISION

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ROBERT S. DUNHAM  
330 Madison Avenue  
New York, N. Y.

KENNETH C. HAWKINS  
419 Miller Building  
Yakima, Washington  
*Attorneys for Plaintiff-Appellant*

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No. 20750

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M.O.S. CORPORATION, *Plaintiff-Appellant*,

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**REPLY BRIEF OF M.O.S. CORPORATION,  
APPELLANT**

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ON APPEAL FROM THE UNITED STATES DISTRICT COURT  
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**STATEMENT OF THE CASE**

Under this heading, the appellee makes three principal points:

First, appellee asserts there is no evidence to support the alleged commercial impact of the patented process. Counsel, of course, overlooks here testimony cited in our statement of the case.

Secondly, appellee asserts, that the process shown, described and claimed in the patent in suit is not the single drum net weight process of appellee, but relates strictly and solely to the double drum process—a designation not used in the patent (Ex. 1), but used by appellee to justify a difference where none exists in reality.

Thirdly, appellee contends that defendant's hop packing operation bears no substantial resemblance to

the process shown, described and claimed in plaintiff's patent. Appellee here simply relies upon findings prepared and submitted by the appellee and adopted by the court in which minor differences are set forth at great length and erroneously interpreted to constitute a substantial and material difference.

Contrary to appellee's assertion, there is substantial evidence to support the contention of appellant that the patented process did have a substantial commercial impact (R. 150 et seq.). See the references contained in our opening brief on this, none of which does appellee advert to or discuss. The essence of the process described and claimed in the patent (Ex. 1) in suit is the recompression of western farm bales into circular form so as to fit a standard drum or drums so that the same can be sealed and conveniently shipped, thereby being protected against moisture and other deleterious matter in the atmosphere.

### QUESTIONS PRESENTED

The selection of questions and phrasing thereof by the appellee clearly show that it is creating a distinction which does not exist in reality by referring to the defendant's process as a single drum net weight packaging procedure. He is making a distinction between the use of one drum or more than one drum as to which the essence of the process patented does not in truth differ. By making this erroneous assumption as to the basic question involved, appellee in fact begs the



question. We submit that the questions presented and stated in appellant's opening brief fairly state the issues which this court is to consider.

## ARGUMENT

Appellee here makes four points:

### I.

#### Equivalency Question of Law

In view of the findings prepared by defendant which were adopted by the court, appellee naturally contends that the questions of equivalency and infringement are questions of fact and not of law so as to avail appellee of the argument that the trial court's findings are normally binding upon the appellate tribunal. However, the law appears to be to the contrary. Counsel does not comment upon the Supreme Court decision of *Williams Mfg. Co. v. United Shoe Machinery Corp.*, 121 F. 2d 273, affirmed in 316 U. S. 364, or upon *Singer Company v. Cramer*, 192 U. S. 265, where the Supreme Court of the United States stated:

"\* \* \* the question of infringement or no infringement is one of law and susceptible of determination on this writ of error."

These are words of the Supreme Court, not the appellant here, as implied by appellee in appellee's brief. Furthermore,

"the interpretation of the claims of a patent is \* \* \* a question of law for the court." *Solomon v. Renstrom*, 150 F. (2d) 805.

Compare *No-Joint Concrete Pipe Co. v. Hansen*, 344

F. 2d 13 (9th Cir. 1965), where this Court apparently does not agree with appellee's contentions. In *Industrial Instrument Corp. v. Foxboro Company*, 307 F. 2d 783, (5th Cir. 1962), the Court, in addressing itself specifically to this point in a case in which it reversed the lower court's holding on equivalency, said:

"We may reverse free of the clearly erroneous rule where as is the case here, the issue revolves around an ultimate fact question as distinguished from subsidiary fact questions, or where mixed questions of law and fact are presented when there is error as to the law."

Similarly, here, the subsidiary fact questions, that is, those relating to precisely which method the defendant used, are not here in issue. It is the ultimate factual conclusion that the doctrine of equivalents does not apply that is the contested issue on appeal.

We think these authorities answer appellee's contentions under this head. Under this same head counsel continues to argue that since defendant's process uses only one drum whereas plaintiff's patent specifically calls for the use of two drums that the doctrine of equivalency cannot apply and that the finding of the trial court in this respect is binding upon this court. But the essence of the process which was patented is not whether one or two drums were used, but whether or not there is a recompression in circular form so as to take advantage of the existing standard drum so that it can be economically sealed and shipped and the contents thereby protected. Nowhere does the appellee re-



fute our contention in this respect. Various details as to whether the bale is cut with one half laid upon the other or whether the bale is adjusted for weight by selection of the original bale or by trimming the cut bale is immaterial or at most is an improvement, which, if patented, cannot be used without infringing the original patent. See appellant's brief, page 35, et seq. Whether the bale is held in a circular form before insertion in the drum by steel straps or by wire would likewise be immaterial to the essential process disclosed by the patent and made available to the industry. With the advent of the Meisler invention there was a distinct and important economic impact on the industry (R. 150, et seq., prior case). Mr. Gannon, a well known banker and hop grower, stated:

"Q. Now do you feel there are some economic advantages to the patented process that Mr. Meisler has of converting rectangular bales into ones with circular cross-sections, and placing them in drums?

A. Well, only—only so that they fit into the drums. If you had a square drum, why the square bale would do the job.

Q. It takes advantage of a commonly available drum, namely, the oil drum?

A. That is right, and getting it heremetically sealed.

Q. And you feel that there are economic advantages in that?

A. Very definitely, and the trade apparently is willing to pay for it.

\* \* \*

THE COURT: Mr. Gannon, I understand you to say, in discussing the advantage of this method of

packing or recompressing—you said it was of an advantage particularly because of the seal?

THE WITNESS: Yes. No package have we ever been able to make economically since the cost of lead linings went up so high, have we been able to get the seal as with the round drum on account of the cost of drum. We gave up lead packaging in the wartime, and metal packaging and we have been packaging with waterproof papers and some of the plastics.

THE COURT: So that the advantage of the packing is that it utilizes an available container, namely, the drum?

THE WITNESS: That is right.

THE COURT: Which because of its construction may be sealed?

THE WITNESS: That is right. When hops go across the Equator, there is quite a loss of value if there is any air movement in those hops. It has been particularly advantageous in the hops that do go to the Southern Hemisphere."

Counsel asserts that no one else prior to the defendant had utilized the single drum. However, the record shows that even the defendant itself had ordered the single drum from appellant, and thus Finding 15 and counsel's statement on page 10 of appellee's brief is contrary to the only evidence on the subject (R. 86, 87, prior case). The fact that the appellee at that time paid to appellant a royalty for the use of the patented process in connection with a single drum would seem to be a clear admission by appellee that the appellee's process is the equivalent. Certainly, paragraph 15 of the finding and the statements of counsel on page 10 of appellee's brief are wholly without foundation.

### Patentability and Equivalency

The next point which counsel makes is the contention that appellant is confused in its citation of authorities on *patentability* in support of arguments on *equivalency*. Of course, the concept of infringement and the concept of equivalency are related in the sense that if the accused process is equivalent to the patented one then there is infringement even though the accused process does not read upon the exact process described or disclosed in the patent. The *Adams* case (86 Supreme Court 708, 1966) is cited because it is a very recent case showing that even though an article does not literally read upon the invention disclosed by the patent there nevertheless is or can be infringement. To say that no question of infringement was presented is completely to distort the opinion of the Supreme Court and of Justice Clark in that case. We certainly invite this court's attention to the *Adams* case and its companion.

But, contrary to appellee's criticism, the material quoted on page 46 of appellant's brief is pertinent. In particular, the Court is suggesting by implication that the claims are to be broadened if the invention warrants a broadened interpretation. The Court of Claims had held (*Adams v. United States*, 330 F. 2d 622, at page 626) that the claims need not be restricted to the type of electrode described in the specification of the patent. It is this broadened reading of the claims which



was affirmed by the Supreme Court in holding the patent valid. It is this broadened reading, too, that is pertinent to the issues in the case at bar since the appellees have argued that unless the patent is narrowly construed it would have to be held invalid.

We think, therefore, that it is important to consider the *Adams* case in the decision to be made here.

### III.

#### Reissue Application

Appellant asserts a contention which we thought was determined adversely to appellee by the prior decision in this case by this court, namely, that the application for reissue requires a strict construction of Claim 1 (Ex. 1). By making this assertion appellee is admitting the contention made in our opening brief that the essence of appellee's position and the position of the court below was in effect to apply the doctrine of file wrapper estoppel without expressly saying so contrary to the prior decision of this court. Counsel cites no authority in support of his contention that the application for reissue requires a strict construction. To be sure, it may be considered in determining the extent of the original claim, but if in truth the original claim discloses an invention which is the equivalent of the process employed by the defendant, the fact that there was an application of reissue, albeit denied for lack of timely filing, the court should nevertheless find that there was infringement. In other words, the case should turn upon the extent or scope of the original claim and

whether or not the defendant's process is the equivalent, for, if so, there is infringement. The application for reissue in this instance becomes immaterial once the court determines that the defendant's process is the equivalent of Claim 1 of Ex. 1.

#### IV.

#### Equivalency and Infringement

Appellee contends that the doctrine of equivalency does not apply. We have pointed out in our opening brief the reasons why it does apply, and in response to counsel's arguments we would like to cite the recent case decided by this Court: *No-Joint Concrete Pipe Co. v. Hansen*, 344 F. 2d 13 (9th Cir. 1965). In that case this Court reversed the District Court's decision holding that appellant's patent was not infringed. The decision is on all fours with the subject case and seems to dispose of the principal arguments raised in appellee's brief. That case is primarily concerned with whether or not the doctrine of equivalents should be applied where the patent claim called for a two piece core and the infringer used a one piece core. Specifically, the claim calls for an inner form comprising (1) a lower *movable* member and (2) a (stationary) upper member composed of a plurality of sections *releasably* secured together. The defendant used a single stationary core piece. Thus not only did defendant use one piece instead of two but its one piece operated differently than one of the two pieces of patentee's form. In addition, the appellee there argued as does the ap-

pellee here that the accused process was an improved one and therefore could not be considered equivalent. Indeed, the movable member of plaintiff's device performs a "trowelling action" which was absent from the accused device. In the latter device, this function was carried out by means of appellee's mechanically activated and *patented* consolidating rings. Because of the nature of the differences between the two devices it is clear that the 9th Circuit in *No-Joint* was required to make a more drastic application of the doctrine of equivalents than it need do in the subject case. In the subject case the only difference between the accused device and the patented claim is the fact that the container for the recompressed hops in the claim is comprised of two standard sized steel drums whereas on the accused process which uses a smaller bale a single standard sized steel drum is used with the drum lid being substituted for the second drum. In both cases the function of the elements in question is the same, namely they contain the recompressed hops and in both cases the advantage is the same, namely that standard sized drums are used as containers. No particular patentable significance can be attributed to the use of a bigger container or a smaller container as the case may be or the use of two drums instead of one drum. The result is the same, the method of achieving the result is the same and the elements perform the same function in achieving that result. The remarks on page 18 of *No-Joint* with respect to the advantages achieved by



the respective methods of appellant and appellee in the *No-Joint* case seem particularly pertinent to the subject case.

In *No-Joint* as well as in the case at bar, appellee raised a file wrapper estoppel issue. Again it appears that the plaintiff in *No-Joint* had a considerably more difficult position to maintain on the estoppel issue. In particular, the applicant in that case *cancelled* broad method claims and apparatus claims from his original application. Furthermore, he cancelled a claim which would have been literally infringed by the defendant. Nevertheless, the Court found that there was no file wrapper estoppel. The court noted that the narrowing of claims was not for the purpose of avoiding prior art devices which had "movable lower inner form." The Court stressed (page 18) that the movable portions had been claimed from the outset. Similarly, Meisler claimed from the beginning the two drum approach and did not narrow its claim from a one drum application to a two drum application because of any prior art. Indeed, while it might be a different story if appellee had duplicated what the prior art had showed in using its one drum method, it can not rely on the one drum method because the prior art never showed it.

Appellee stresses to a considerable degree, certain differences in the method used by appellee in packaging its hops. These differences were also apparently erroneously relied on by the Court. The fact that the appellee removed the burlap covering from the bales of hops,

that it cut each bale in two, that it added additional hops to achieve a particular weight is totally irrelevant to the issues in this case. The method as claimed by Meisler does not *exclude* any of these things. The claim is in fact broad with respect to such variations and they do not in any way affect the issue of infringement. The sole question is whether the claim should be construed so narrowly as to exclude the one drum method from the coverage of the claim.

While the appellant has argued and shown in its initial brief that it is entitled to a *broad* range of equivalents because of the nature of the invention and the dramatic change that it produced in the hop producing industry of the Northwest, it does not need a broad range of equivalents to support its position that appellee has here infringed. Even if it be held that appellant is only entitled to a narrow range of equivalents, to hold that the use of one drum is equivalent to the use of two only requires a narrow application of the doctrine of equivalents. It has always been standard practice for a court to find that the use of one member in place of two is an equivalent. The cases cited in Footnote No. 2 in *No-Joint* all support this point. In this connection Judge Learned Hand's comment in *Royal Typewriter Co. v. Remington Rand*, 168 F. 2d 691, 693 (2nd Cir. 1948) seems particularly pertinent. There he stated:

“Furthermore, although we are chary of all objective absolutes in the field of patents, reliance upon which has done more to conceal and confuse the subject than anything else, courts have with

curious unanimity held that it does not avoid infringement to combine into one member that which the patent discloses as two, if the single member performs the duties of both in the same way. The decisions are so numerous that we confine ourselves to citing those which over the last thirty years we have passed ourselves."

From the foregoing, it is clear that the doctrine of equivalency does apply; that the claims of the patent, properly interpreted, cover the specific method employed by the appellee, and that therefore the use of such method by the appellee constitutes infringement.

### CONCLUSION

We think it clear that the defendant has employed the process disclosed by the appellant's patent and had done so to his substantial economic advantage. We think it equally clear that the economic success of the appellant's patent as the cases cited so hold assist the court in determining not only patentability, but also the scope of the claim and the equivalency of the defendant's process.

We respectfully submit that the decree of the trial court should be reversed and an order should be entered directing the appellee to account.

Respectfully submitted,

ROBERT S. DUNHAM  
330 Madison Avenue  
New York, New York

KENNETH C. HAWKINS  
419 Miller Building  
Yakima, Washington  
*Attorneys for Appellant*

## CERTIFICATE

I certify that, in connection with the preparation of this brief, I have examined Rules 18 and 19 of the United States Court of Appeals for the Ninth Circuit, and that, in my opinion, the foregoing brief is in full compliance with those rules.

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*Attorney*